OFFICE OF THE GOVERNOR

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May 4, 2005

To the Honorable Speaker and Members, The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to Section 3, Engrossed Second Substitute House Bill No. 1441 entitled:

"AN ACT Relating to health insurance coverage for children."

This bill reinstates the Children's Health Program for children up to 100 percent of the federal poverty level who are not otherwise eligible for Medicaid. Section 3 of the bill, the emergency clause that contains the effective date of July 1, 2005, is not needed for funding purposes and could set unreasonable expectations regarding the timing of implementation. The Department of Social and Health Services' (the "Department") operating budget appropriation for 2005-07 becomes effective on July 1, 2005. The Department estimates it will take six months to make the systems changes necessary to start enrolling children in this program by January 2006. I do not want to create false expectation that the Department will start enrolling children on July 1, 2005.

For these reasons I have vetoed Section 3 of Engrossed Second Substitute House Bill No. 1441.

With the exception of Section 3, Engrossed Second Substitute House Bill No. 1441 is approved.

Respectfully submitted,

Christine O. Gregoire Governor